

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NORTH CAROLINA  
RALEIGH DIVISION**

**FILED**

**FEB 24 2003**

IN RE:	)	
	)	CHAPTER 7
INTERNATIONAL HERITAGE, INC.	)	CASE NO. 98-02675-5-ATS
	)	
INTERNATIONAL HERITAGE,	)	CHAPTER 7
INCORPORATED,	)	CASE NO. 98-02674-5-ATS
	)	
Debtors.	)	

PEGGY B. DEANS, CLERK  
U.S. BANKRUPTCY COURT  
EASTERN DISTRICT OF N.C.

**INTERIM APPLICATION FOR SPECIAL ATTORNEY  
FOR TRUSTEE FEE AND EXPENSE REIMBURSEMENT**

The undersigned Stephani W. Humrickhouse of Nicholls & Crampton, P.A. ("Applicant") applies to the Court for the entry of an Order approving and authorizing interim Special Attorney for Trustee fees for the period August 1, 2002 to January 31, 2003 in the amount of \$1,457.50 and expense reimbursement in the amount of \$62.03. In support of said Interim Application, Applicant respectfully shows the Court the following:

1. Applicant has acted as Special Attorney for the Trustee since employed and appointed by Order dated January 28, 1999. The services rendered by Applicant and members of its firm have been substantial and Applicant believes that allowance of a fee in full at this time is appropriate and necessary. The Applicant has regularly submitted fee applications in these cases every sixty (60) days.
2. Fees in the amount of \$143,592.50 and expenses in the amount of \$6,148.51 have been applied for by the Applicant and approved by the Court prior to this Application. However, \$22,803.00 of that \$141,983.00 was applicable to the representation of the Trustee in his claims against the Debtor's principal, Stanley Van Etten and not related to the prosecution of general avoidance actions.
3. To date, the Applicant has delivered the total sum of \$468,521.15 to the Trustee for preferences, which includes \$67,712.51 collected prior to the initiation of the adversary proceedings and \$400,808.64 collected as a result of the adversary proceedings. Monies are collected by the Applicant and delivered to the Trustee to hold in trust pending Court approval. The status of the adversary proceeding cases is as follows:

11 pcp

534

- a. 58 adversary proceedings have been settled in the sum of \$373,104.88 and approved by the Court (plus a Rolex watch was turned over to the Trustee and subsequently sold by the Trustee at private sale for \$6,000.00).
- b. One adversary proceeding is pending court approval at this time.
- c. Default Judgment has been entered in 16 adversary proceedings (3 of which have been satisfied in the sum of \$9,703.76).
- d. 13 adversary proceedings have been dismissed because of a complete defense by the Defendant or the inability to locate the Defendant.
- e. 1 adversary proceeding has been dismissed due to the Defendant filing Chapter 11 bankruptcy.
- f. Judgment has been entered in one adversary proceeding after trial in the amount of \$2,620.00.
- g. One adversary proceedings is presently set for trial March 19, 2003.

4. A Summary of Services Rendered which indicates the name of the attorney or paralegal, the hours spent, the hourly rate and total compensation requested is attached as Exhibit A. Attached as Exhibit B is a breakdown by hours and description of the services rendered in connection with this Application. Services rendered were reasonable and necessary in the proper representation of the Trustee. Said Exhibit B reflects an itemization of expenses incurred on behalf of the Trustee by category totals. A separate statement has been created for each adversary proceeding in which time has been entered so that settlement offers can be evaluated more efficiently.

5. The Trustee's agreement to pay the fees at the rates set out herein are substantiated in its Application by Trustee for Authority to Employ and Appoint Attorney Specially dated January 27, 1999. Stephani W. Humrickhouse has rendered professional services of not less than 5.3 hours and that for such professional services Trustee agreed to pay the rate of \$165.00 per hour. Kevin L. Sink has rendered professional services of not less than 2.4 hours and that for such professional services Trustee agreed to pay the rate of \$165.00 per hour. Phyllis W. Hill has rendered paralegal services of not less than 2.4 hours and that for such paralegal services Applicant is regularly paid at the rate of \$70.00 per hour. Sandra T. Waller has rendered paralegal services of not less than .1 hours and that for such paralegal services Applicant is regularly paid at the rate of \$70.00.

6. Stephani W. Humrickhouse is a Partner with Nicholls & Crampton, P.A. She is a Board Certified Specialist in Bankruptcy Law by the North Carolina State Bar Board of Legal Specialization, is a former member of the Bankruptcy Council of the North Carolina Bar Association, previously served as Chairman of its Continuing Legal Education Committee, is a Certified Bankruptcy Specialist by the American Bankruptcy Certification Board and is an experienced Chapter 11 bankruptcy practitioner. Humrickhouse was admitted to the bar in 1980. Humrickhouse regularly charges and has been paid as her ordinary rate \$210.00 per hour. However, based on Court guidelines for the representation of the Trustee, she has only charged \$165.00 per hour during the time period covered by this Application in this case.

7. Kevin L. Sink is a Partner with Nicholls & Crampton, P.A. He is a Board Certified Specialist in Business Bankruptcy Law by the North Carolina State Bar Board of Legal Specialization, is a member of the Bankruptcy Section of the North Carolina Bar Association, and is an experienced Chapter 11 bankruptcy practitioner. Sink was admitted to the bar in 1994. Sink regularly charges and has been paid as his ordinary rate up to \$200.00 per hour. However, based on Court guidelines for the representation of the Trustee, he has only charged \$165.00 per hour during the time period covered by this Application in this case.

8. Phyllis W. Hill is a Paralegal with Nicholls & Crampton, P.A. She attended the University of Tennessee in Knoxville, TN majoring in Business Administration and received her paralegal/legal assistant degree from UT. She has been a paralegal since 1977 with seven years experience in Tax, Estate Planning, Trust and Estate Administration in Knoxville, TN, eight years experience in Civil Litigation with Hunton & Williams in Raleigh, NC and has been with Nicholls & Crampton since February, 1993, concentrating in Bankruptcy.

9. Sandra T. Waller is a Paralegal with Nicholls & Crampton, P.A. She attended Florida State University, Tallahassee, FL and received her paralegal/legal assistant training at Lively Vocational/Technical School, Tallahassee, FL. She has been a paralegal since 1982 with experience in Personal Injury, Medical Malpractice and Civil Litigation. She has been employed at Nicholls & Crampton since January, 1998, concentrating in Bankruptcy.

10. Copying charges are recorded by client identification number, pursuant to a control counting device connected to Applicant's copying machine. The copying charges are read by Applicant's Office Administrator twice monthly, at mid and end month, and entered into the Accounting Package on those "read" dates. Applicant does not have the ability to further break down the dates such copying charges were incurred other than as expressed above

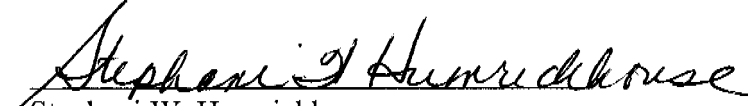
11. Postage charges for are entered cumulatively at month's end.

12. Copies are charged at 20¢ per page, and fax transmissions are charged at \$1.00 per page for out-going transmissions, with no charge for incoming faxes. Deliveries are charged at the rate of \$7.50.

13. The best interests of Trustee, the Debtor, and the Estates will be served by the allowance of this Application in full.

WHEREFORE, Applicant respectfully requests the Court for the entry of an Order allowing and authorizing Special Attorney for Trustee fees in the amount of \$1,457.50 and expense reimbursement in the amount of \$62.03.

This the 24 day of February, 2003.

  
Stephani W. Humrickhouse  
State Bar No. 9528  
Attorney for Trustee  
Nicholls & Crampton, P.A.  
Post Office Box 18237  
Raleigh, NC 27619  
Telephone: 919/781-1311

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NORTH CAROLINA  
RALEIGH DIVISION

IN RE:	)	
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	)	
Debtors.	)	

**SUMMARY OF SERVICES RENDERED**

Nicholls & Crampton, P.A.

From August 31, 2002 to January 31, 2003, the undersigned person/firm has performed professional services for this estate in the capacity of attorney for the Trustee during the Chapter 7 case. Attached hereto is an itemization of time expended and expenses incurred in the performance of these professional services.

<u>NAME</u>	<u>TITLE</u>	<u>HOURS SPENT</u>	<u>HOURLY RATE</u>	<u>TOTAL</u>
Stephani W. Humrickhouse	Partner	5.3	\$165.00	\$874.50
Kevin L. Sink	Partner	2.4	\$165.00	\$396.00
Phyllis W. Hill	Paralegal	2.4	\$ 75.00	\$180.00
Sandra T. Waller	Paralegal	.1	\$ 70.00	\$ 7.00

TOTAL FEES \$1,457.50

TOTAL EXPENSES \$ 62.30

TOTAL AMOUNT REQUESTED \$1,519.80

In Account With  
**NICHOLLS & CRAMPTON, P.A.**

ATTORNEYS AT LAW

4300 Six Forks Road—Suite 700  
Post Office Box 18237  
Raleigh, North Carolina 27619

Telephone: 919/781-1311 Fax: 919/782-0465

Federal ID #

Invoice 56-1201204 42252

02/10/03

Holmes P. Harden  
TO c/o Maupin, Taylor & Ellis, PA  
3200 Beechleaf Ct. POB 19764  
Raleigh NC 27604

Client Id. 00-12075

Matter Id. 000-000-001 SH/G - International Heritage, Inc - Chapter 7

Amount Paid: \_\_\_\_\_

Return Upper Portion With Payment

For legal services rendered, including  
but not limited to

08/05/02	PL9	Draft Special Counsel for Trustee Fee Application, Notice, Fee Summary, Certificate of Mailing and proposed Order.	1.80
11/21/02	HUM	Email to David Meschan re: status of unsecured distribution	.20
11/27/02	HUM	Preparation for and attendance at meeting with Bruce Bullock, legal counsel for BTI re; Preference Claim.	2.00
01/17/03	HUM	Report to Mr. Harden re: status of APs; call to Mr. Harden re: same.	1.50
01/18/03	PL9	Finalize status letter to Trustee re: adversary proceedings.	.60
01/20/03	HUM	Conference with Brent Wood re: preference action; finalize letter to Mr. Wood re: same.	.60

Fees Billed

\$ 889.50

Disbursements

Delivery Charge \$ 7.50

165 Copies @ \$.20 each \$ 33.00

A finance charge is computed on account balances unpaid 30 days  
after the billing date at a periodic rate of 1½% per month (Annual percentage rate of 18%).

In Account With  
**NICHOLLS & CRAMPTON, P.A.**

ATTORNEYS AT LAW

4300 Six Forks Road—Suite 700  
Post Office Box 18237  
Raleigh, North Carolina 27619

Telephone: 919/781-1311 Fax: 919/782-0465

02/10/03

Federal ID #  
56-1201204  
Invoice 42252  
Page 2

TO Holmes P. Harden  
c/o Maupin, Taylor & Ellis, PA  
3200 Beechleaf Ct. POB 19764  
Raleigh NC 27604

Client Id. 00-12075

Matter Id. 000-000-001 SH/G - International Heritage, Inc - Chapter 7  
Amount Paid:

Return Upper Portion With Payment

Postage \$ 1.11

Fax \$ 13.11

Total Disbursements	\$ 54.72
Total Current Bill	\$ 944.22
Previous Balance	\$ 70.50
Balance Due	\$ 1,014.72
	=====

Fee Summary

Paralegal PWH worked 2.40 hours at \$ 75 an hour.  
S W Humrickhouse worked 4.30 hours at \$165 an hour.

In Account With  
**NICHOLLS & CRAMPTON, P.A.**

ATTORNEYS AT LAW

4300 Six Forks Road—Suite 700  
Post Office Box 18237  
Raleigh, North Carolina 27619

Telephone: 919/781-1311 Fax: 919/782-0465

02/10/03

Federal ID #  
Invoice 56-1201204  
42253

Holmes P. Harden  
TO c/o Maupin, Taylor & Ellis, PA  
3200 Beechleaf Ct. PDB 19764  
Raleigh NC 27604

Client Id. 00-12075

Matter Id. 000-000-021 SWH - Intn'l Heritage Inc - Printing Plus, Inc.

Amount Paid: \_\_\_\_\_

Return Upper Portion With Payment

For legal services rendered, including  
but not limited to

11/08/02	P20	Research re: status of settlement, monies due	.10
12/09/02	HUM	Conference with Jeff Majewski.	.30
12/30/02	HUM	Call from Jeff Jajewski re: funds.	.30

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Fees Billed \$ 106.00

Disbursements  
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Telephone Charges	\$ .74
Fax	\$ 3.00
1 Copy @ \$.20 each	\$ .20

Total Disbursements \$ 3.94

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Total Current Bill \$ 109.94

Previous Balance \$ 66.00

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Balance Due \$ 175.94  
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Fee Summary

S T Waller worked .10 hours at \$ 70 an hour.  
S W Humrickhouse worked .60 hours at \$165 an hour.

A finance charge is computed on account balances unpaid 30 days  
after the billing date at a periodic rate of 1½% per month (Annual percentage rate of 18%).



In Account With  
**NICHOLLS & CRAMPTON, P.A.**

ATTORNEYS AT LAW

4300 Six Forks Road—Suite 700  
Post Office Box 18237  
Raleigh, North Carolina 27619

Telephone: 919/781-1311 Fax: 919/782-0465

Federal ID #

Invoice 56-1201204 42254

02/10/03

Holmes P. Harden  
TO c/o Maupin, Taylor & Ellis, PA  
3200 Beechleaf Ct. POB 19764  
Raleigh NC 27604

Client Id. 00-12075

Matter Id. 000-000-024 SWH - Intn'l Heritage Inc - Wood & Francis, PLLC / BE Wood

Amount Paid: \_\_\_\_\_

Return Upper Portion With Payment

For legal services rendered, including  
but not limited to

01/15/03	SIN	Office conference and review of file re: claims against Wood.	.70
01/17/03	SIN	File review and office conferences re: Wood & Francis collection issues.	.60
01/19/03	SIN	File review and drafted Demand Letter to Wood & Francis.	1.10

Fees Billed	\$	396.00
Total Current Bill	\$	396.00
Balance Due	\$	396.00

Fee Summary

K L Sink worked 2.40 hours at \$165 an hour.

In Account With  
**NICHOLLS & CRAMPTON, P.A.**  
ATTORNEYS AT LAW

4300 Six Forks Road—Suite 700  
Post Office Box 18237  
Raleigh, North Carolina 27619

Telephone: 919/781-1311 Fax: 919/782-0465

Federal ID #  
56-1201204  
Invoice 42255

02/10/03

Holmes P. Harden  
TO c/o Maupin, Taylor & Ellis, PA  
3200 Beechleaf Ct. POB 19764  
Raleigh NC 27604

Client Id. 00-12075

Matter Id. 000-000-085 SWH - Intnl Heritage Inc / John Brothers

Amount Paid: \_\_\_\_\_

Return Upper Portion With Payment

For legal services rendered, including  
but not limited to

11/07/02 HUM Letter to Mona Ellis re: status. .40

Fees Billed \$ 66.00

Disbursements  
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Telephone Charges \$ .37

Fax \$ 3.00

Total Disbursements \$ 3.37

Total Current Bill \$ 69.37

Balance Due \$ 69.37  
=====

Fee Summary

S W Humrickhouse worked .40 hours at \$165 an hour.

CERTIFICATE OF SERVICE

It is hereby certified that the foregoing INTERIM APPLICATION FOR SPECIAL ATTORNEY FOR TRUSTEE FEE AND EXPENSE REIMBURSEMENT was served this day by placing a copy thereof in a depository under the exclusive care and custody of the United States Postal Service in a postage prepaid envelope and properly addressed as follows:

*By Hand Delivery*

Mrs. Marjorie K. Lynch  
Bankruptcy Administrator  
300 Fayetteville St. Mall, Room 416  
P. O. Box 3039  
Raleigh, NC 27602

This the 24 day of February, 2003.



Phyllis Hill  
Legal Assistant